

BEHAVIORAL HEALTH**BUDGET UNIT: ALCOHOL AND DRUG ABUSE SERVICES
(AAA ADS)****I. GENERAL PROGRAM STATEMENT**

The Department of Behavioral Health's Alcohol and Drug Abuse Services consist of comprehensive substance abuse prevention and treatment programs for county residents. Services are provided by 6 county operated clinics and 30 to 40 contractors depending on the number of responses to RFPs. The major components include outpatient, residential, prevention, methadone, and case management services. Annually, approximately 13,000 clients are served and over 73,000 hours of prevention services are performed.

Services are primarily provided to clients who are indigent or receiving Medi-Cal. A small number of cases are private pays. ADS programs are principally funded by federal revenue (65%), state revenue (13%) and Medi-Cal (9%). To remain eligible for the state and federal funds, the county is required to provide a 10% match of state revenue. The department's local cost of \$149,458 funds the required match. The department also receives reimbursements (\$6.2 million) from other county departments. The two primary reimbursements are for services provided to the Human Services System (HSS) CalWorks program (\$1.4 million) and the Proposition 36 – Substance Abuse and Crime Prevention Act program (\$4 million).

II. BUDGET & WORKLOAD HISTORY

| | Actual 2001-02 | Budget 2002-03 | Estimated 2002-03 | Department Request 2003-04 |
|-----------------------------------|---------------------------|---------------------------|------------------------------|---|
| Total Appropriation | 17,624,241 | 24,784,682 | 20,318,461 | 20,063,339 |
| Total Sources | 17,414,932 | 24,577,582 | 20,119,645 | 19,913,881 |
| Local Cost | 209,309 | 207,100 | 198,816 | 149,458 |
| Budgeted Staffing | | 100.9 | | 91.5 |
| <u>Workload Indicators</u> | | | | |
| Drug Abuse Prevention Hours | 88,768 | 80,000 | 73,937 | 73,000 |
| Residential Treatment Clients | 2,496 | 2,800 | 2,391 | 2,300 |
| Outpatient Treatment Clients | 7,886 | 8,800 | 10,058 | 9,500 |
| Methadone Treatment Clients | 854 | 1,200 | 1,259 | 1,259 |

The variances between the 2001-02 actual and budget for 2002-03 were due in part to the difficulty in filling budgeted positions and high staff turnover. In addition, the treatment costs related to the Proposition 36 program did not materialize as initially projected.

The estimated total appropriations reflect a \$4.4 million decrease from the budget for 2002-03. This variance includes a reduction in salary and benefits (\$800,000) as the department held positions vacant due to the uncertainty of the state budget. In addition, services and supplies decreased by \$900,000 as a result of the department postponing the purchase of software and a decrease in contract costs. The remaining variance is due to the reclassification of \$2.4 million in revenue to reimbursements thus reducing both revenue and total appropriations.

The prevention hours were below budget due to county clinics devoting more time to outpatient services. Residential services declined and outpatient services increased due to an effort to place clients in a less costly outpatient service mode. However, the 2003-04 budget reflects a decrease in services to outpatient clients when compared to the 2002-03 estimate. This is due to funding limitations. Methadone services are long term programs and the number of clients served is limited by the licensed capacity.

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III. HIGHLIGHTS OF RECOMMENDED PROGRAM FUNDED ADJUSTMENTS

STAFFING CHANGES

Salaries and benefit program changes reflect a decrease of \$397,701 from the Board approved base budget. The Board approved base budget initially reflected increased salary and benefit costs due to employee MOUs. Since then, the department defunded 9.4 vacant positions; that budgetary savings will now offset the majority of increased MOU costs.

PROGRAM CHANGES

The reduction to services and supplies is due primarily to contract reductions of 6% (\$1,058,262) which reflects the net reduction of available funding. Program funding decreased by approximately \$1.6 million reflecting a reduction in CalWorks reimbursements due to HSS funding limitations. In addition, \$500,000 in reimbursements for aftercare services was eliminated due to a reduction in the Behavioral Health realignment sales tax and vehicle license fee revenue. These reductions were partially offset by an increase in funding from the State Department of Alcohol and Drug and special revenue funds.

OTHER CHANGES

There were several reclassifications of revenue to reimbursements and reimbursements to revenue as required by accounting guidelines (GASB 34). Reclassifications between categories do not impact overall funding. However, the funding for several programs in these classifications varied from 2002-03 to 2003-04 (CalWorks funding decreased by \$1.6 million) resulting in a net decrease in these categories of \$1.8 million. All funding changes were discussed in the Program Changes section above.

IV. VACANT POSITION IMPACT

The department has a total of 11.8 vacant budgeted positions in its 2003-04 Department Request Budget. The breakdown of these positions is as follows:

| | | |
|------------------------------------|------------|---------------------|
| Vacant Budgeted Not in Recruitment | 7.8 | Slated for Deletion |
| Vacant Budgeted in Recruitment | <u>4.0</u> | Retain |
| Total Vacant | 11.8 | |

Vacant Position Restoration Request

The department has submitted one policy item requesting restoration of 7.8 vacant budgeted positions that are slated for deletion. The County Administrative Office recommends restoration of the positions as the cost is funded by federal block grants passed through the State Department of Alcohol and Drug Programs.

| CAO Rec | Item | Program | Budgeted Staff | Program Description |
|---------|------|------------------|---------------------------------------|---|
| x | 1 | Alcohol and Drug | 7.8 \$352,815 Revenue Supported | 4.0 Social Worker IIs, 1.0 Clinical Therapists, and 1.0 Alcohol and Drug Counselor provide direct client services. The .8 Public Service Employee positions are part of the Social Worker Internship Program which is a valuable recruitment tool for the department. All of the requested positions are fully funded by federal/state revenue (Alcohol & Drug Program Block Grants). |

V. OTHER POLICY ITEMS

None

VI. FEE CHANGES

None.

GROUP: Human Services System
DEPARTMENT: Behavioral Health - Substance Abuse
FUND: General AAA ADS

FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

ANALYSIS OF 2003-04 BUDGET

| | A | B | C | D | B+C+D E Board Approved Base Budget |
|-----------------------------|----------------------------------|-------------------------|--------------------------|-------------------------|---|
| | 2002-03 Year-End Estimates | 2002-03 Final Budget | Base Year Adjustments | Mid-Year Adjustments | |
| <u>Appropriation</u> | | | | | |
| Salaries and Benefits | 4,310,093 | 5,155,322 | 423,139 | - | 5,578,461 |
| Services and Supplies | 20,195,726 | 21,373,845 | (65,565) | - | 21,308,280 |
| Equipment | - | - | - | - | - |
| Transfers | 814,000 | 814,000 | - | - | 814,000 |
| Total Exp Authority | 25,319,819 | 27,343,167 | 357,574 | - | 27,700,741 |
| Reimbursements | (5,001,358) | (2,558,485) | - | - | (2,558,485) |
| Total Appropriation | 20,318,461 | 24,784,682 | 357,574 | - | 25,142,256 |
| <u>Revenue</u> | | | | | |
| Current Services | 215,982 | 4,041,502 | - | - | 4,041,502 |
| State, Fed or Gov't Aid | 15,805,459 | 16,437,876 | 415,216 | - | 16,853,092 |
| Other Revenue | 125,000 | 125,000 | - | - | 125,000 |
| Total Revenue | 16,146,441 | 20,604,378 | 415,216 | - | 21,019,594 |
| Operating Transfer In | 3,973,204 | 3,973,204 | - | - | 3,973,204 |
| Total Financing Sources | 20,119,645 | 24,577,582 | 415,216 | - | 24,992,798 |
| Local Cost | 198,816 | 207,100 | (57,642) | - | 149,458 |
| Budgeted Staffing | | 100.9 | | | 100.9 |

GROUP: Human Services System
 DEPARTMENT: Behavioral Health - Substance Abuse
 FUND: General AAA ADS

FUNCTION: Health & Sanitation
 ACTIVITY: Hospital Care

ANALYSIS OF 2003-04 BUDGET

| | E | F | E+F | H | G+H | J | I+J |
|-------------------------|-------------|-------------|-------------|-----------|--------------------|-------------|-------------|
| | Board | Recommended | G | | I | | K |
| | Approved | Program | 2003-04 | Vacant | 2003-04 | Recommended | 2003-04 |
| | Base | Funded | Department | Position | Proposed | Vacant | Recommended |
| | Budget | Adjustments | Request | Impact | Budget | Restoration | Budget |
| | | | | | (Adjusted) | | |
| Appropriation | | | | | | | |
| Salaries and Benefits | 5,578,461 | (397,701) | 5,180,760 | (352,815) | 4,827,945 | 352,815 | 5,180,760 |
| Services and Supplies | 21,308,280 | (1,073,678) | 20,234,602 | - | 20,234,602 | - | 20,234,602 |
| Equipment | - | - | - | - | - | - | - |
| Transfers | 814,000 | 36,039 | 850,039 | - | 850,039 | - | 850,039 |
| Total Exp Authority | 27,700,741 | (1,435,340) | 26,265,401 | (352,815) | 25,912,586 | 352,815 | 26,265,401 |
| Reimbursements | (2,558,485) | (3,643,577) | (6,202,062) | - | (6,202,062) | - | (6,202,062) |
| Total Appropriation | 25,142,256 | (5,078,917) | 20,063,339 | (352,815) | 19,710,524 | 352,815 | 20,063,339 |
| Revenue | | | | | | | |
| Current Services | 4,041,502 | (3,825,520) | 215,982 | - | 215,982 | - | 215,982 |
| State, Fed or Gov't Aid | 16,853,092 | 439,807 | 17,292,899 | (352,815) | 16,940,084 | 352,815 | 17,292,899 |
| Other Revenue | 125,000 | - | 125,000 | - | 125,000 | - | 125,000 |
| Total Revenue | 21,019,594 | (3,385,713) | 17,633,881 | (352,815) | 17,281,066 | 352,815 | 17,633,881 |
| Operating Transfers In | 3,973,204 | (1,693,204) | 2,280,000 | - | 2,280,000 | - | 2,280,000 |
| Total Financing Sources | 24,992,798 | (5,078,917) | 19,913,881 | (352,815) | 19,561,066 | 352,815 | 19,913,881 |
| Local Cost | 149,458 | - | 149,458 | - | 149,458 | | 149,458 |
| Budgeted Staffing | 100.9 | (9.4) | 91.5 | (7.8) | 83.7 | 7.8 | 91.5 |

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| Base Year Adjustments | | |
|----------------------------------|-----------------|---|
| Salaries and Benefits | <u>423,139</u> | MOU and retirement increases. |
| Services and Supplies | (8,284) | 4% Spend Down Plan. |
| | (7,923) | Risk Management and EHAP reductions. |
| | <u>(49,358)</u> | Approved local cost reduction. |
| | <u>(65,565)</u> | |
| Subtotal Base Year Appropriation | <u>357,574</u> | |
| Subtotal Base Year Revenue | 415,216 | Increase in state and federal funding from the State Dept of Alcohol and Drug . |
| | <u></u> | |
| Subtotal Base Year Local Cost | <u>(57,642)</u> | |

| Recommended Program Funded Adjustments | | |
|--|--------------------|---|
| Salaries and Benefits | <u>(397,701)</u> | Deleted 9.4 vacant positions due to funding reductions. |
| Services and Supplies | (1,058,262) | Reduction of contracted services due to net loss of available funding. |
| | (15,416) | Miscellaneous service and supplies adjustments due to funding reductions. |
| | <u>(1,073,678)</u> | |
| Transfers | 17,493 | EHAP cost previously budgeted in services and supplies. |
| | 18,546 | Increase in drug court administration costs. |
| | <u>36,039</u> | |
| Reimbursements | (1,417,427) | Reclassification from revenue to reimbursement for CalWorks services . |
| | (670,000) | Reclassification from revenue to reimbursement for DCS/CPS services . |
| | (3,973,204) | Reclassification from operating transfer to reimbursement for Substance Abuse & Crime Prevention Act (SACPA) services . |
| | 1,924,554 | Reclassification from reimbursement to operating transfers for transfer from special revenue funds. |
| | 500,000 | Loss of reimbursement from DBH for aftercare services. |
| | (7,500) | Increase in reimbursement from Probation Dept for the Repeat Offender Program. |
| | <u>(3,643,577)</u> | |
| Total Appropriation | <u>(5,078,917)</u> | |
| Revenue | | |
| Current Services | (3,760,520) | Reclassification of CalWorks/DCS to transfers In. (CalWorks \$3,090,520, and DCS \$670,000). |
| | (65,000) | Payments under the CARRS program no longer available to ADS. |
| | <u>(3,825,520)</u> | |
| State, Fed or Gov't Aid | <u>439,807</u> | This is based on the preliminary allocation from the State Department of Alcohol & Drug. |
| Total Revenue | <u>(3,385,713)</u> | |
| Operating Transfers In | (1,693,204) | Net of reclassing special revenue funds from revenue to op transfers \$2,280,000 and SACPA to reimbursements (\$3,973,204). |
| | <u></u> | |
| Total Financing Sources | <u>(5,078,917)</u> | |
| Local Cost | <u>-</u> | |

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Vacant Position Impact Summary

| | <u>Authorized</u> | <u>Budgeted Staffing</u> | <u>Salary and Benefit Amount</u> | <u>Revenue</u> | <u>Local Cost</u> |
|---|-------------------|--------------------------|----------------------------------|----------------|-------------------|
| Vacant Budgeted Not In Recruitment - Delete | 10 | 7.8 | 352,815 | 352,815 | - |
| Vacant Budgeted In Recruitment - Remain | 6 | 4.0 | 195,817 | 195,817 | - |
| Total Vacant | 16 | 11.8 | 548,632 | 548,632 | - |
| Recommended Restoration of Vacant Deleted | 10 | 7.8 | 352,815 | 352,815 | |

Vacant Position Impact Detail

| | <u>Position Number</u> | <u>Budgeted Staffing</u> | <u>Salary and Benefit Amount</u> | <u>Revenue</u> | <u>Local Cost</u> |
|--|------------------------|--------------------------|----------------------------------|----------------|-------------------|
|--|------------------------|--------------------------|----------------------------------|----------------|-------------------|

Note: If position is seasonal indicate next to Classification (Seasonal - May through August)

Vacant Budgeted Not In Recruitment

| | | | | | |
|--------------------------------------|-------|-------|-----------|-----------|---|
| Subtotal Recommended - Delete | - | - | - | - | - |
| <i>Clinical Therapist I</i> | 7629 | (0.5) | (30,614) | (30,614) | - |
| <i>Social Worker II</i> | 12652 | (1.0) | (57,017) | (57,017) | - |
| <i>Clinical Therapist I</i> | 13885 | (0.5) | (30,614) | (30,614) | - |
| <i>Alcohol & Drug Counselor</i> | 14488 | (1.0) | (50,042) | (50,042) | - |
| <i>Social Worker II</i> | 70513 | (1.0) | (54,586) | (54,586) | - |
| <i>Social Worker II</i> | 75534 | (1.0) | (54,586) | (54,586) | - |
| <i>Social Worker II</i> | 15822 | (1.0) | (47,957) | (47,957) | - |
| <i>Public Service Employee</i> | 94428 | (0.6) | (9,133) | (9,133) | - |
| <i>Public Service Employee</i> | 94430 | (0.6) | (9,133) | (9,133) | - |
| <i>Public Service Employee</i> | 94679 | (0.6) | (9,133) | (9,133) | - |
| Subtotal Recommended - Retain | | (7.8) | (352,815) | (352,815) | - |
| Total Slated for Deletion | | (7.8) | (352,815) | (352,815) | - |

Vacant Budgeted In Recruitment - Retain

| | | | | | |
|-----------------------------|-------|-----|-----------|-----------|---|
| <i>Social Worker II</i> | 8177 | 1.0 | 50,042 | 50,042 | - |
| <i>Clinical Therapist I</i> | 5474 | 0.5 | 31,983 | 31,983 | - |
| <i>Clinical Therapist I</i> | 12662 | 1.0 | 58,899 | 58,899 | - |
| <i>Child Care Teacher</i> | 16880 | 0.5 | 18,110 | 18,110 | - |
| <i>Child Care Teacher</i> | 16883 | 0.5 | 18,673 | 18,673 | - |
| <i>Child Care Teacher</i> | 73348 | 0.5 | 18,110 | 18,110 | - |
| Total in Recruitment Remain | | 4.0 | (195,817) | (195,817) | - |